



## **Special Committee on Targeting Resources**

### **MEETING NOTICE**

**Sacramento Employment and Training Agency  
925 Del Paso Boulevard, Shasta Room  
Sacramento, CA**

Lawrence Gotlieb  
Chairman

Christine Essel  
Vice Chair

**Tuesday, June 27, 2006  
10:00 a.m. – 12:30p.m.**



Arnold Schwarzenegger  
Governor

Brian McMahon  
Executive Director

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### **AGENDA**

- 1. Welcome and Opening Remarks**
  - **Barry Sedlik, Chair**
- 2. Action - Approval of the April 18, 2006 Meeting Summary**
- 3. Discussion Item – Final Report on Minimum Wage Workers Initiative**
- 4. Discussion Item – Workforce Development Needs in the Logistics Industry**
  - **Presentation of State-level Labor Market Information**
    - **Bonnie Graybill – Labor Market Information Division**
  - **Proposed Policy Framework**
- 5. Discussion Item – Short-Term Goal Priority**
  - **Policy Statement for Coordination of Grant Applications with Local Boards**
- 6. Public Comment**
- 7. Next Steps**
- 8. Other Business that May Come Before the Committee**

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Meeting conclusion time is an estimate; meeting may end earlier subject to completion of agenda items and/or approved motion to adjourn.

In order for the Special Committee to provide an opportunity for interested parties to speak at the public hearings, public comment may be limited. Written comments provided to the Special Committee must be made available to the public, in compliance with the Bagley-Keene Open Meeting Act, §11125.1, with copies available in sufficient supply.

Individuals who require accommodations for their disabilities (including interpreters and alternate formats) are requested to contact the California Workforce Investment Board staff at (916) 324-3425 at least ten days prior to the meeting. TTY line: (916) 324-6523. Please visit the California Workforce Investment Board website at <http://www.calwia.org> or contact Danny Patterson for additional information.

**California Workforce Investment Board  
Targeting Resources Committee  
April 18, 2006 Meeting Summary**

**California Workforce Investment Board (State Board) Members and Committee Members  
Attending**

Barry Sedlik, Chair  
Mike Curran, Vice Chair  
Wayne Schell  
Tim Galloway for Jerry Butkiewicz  
Dwight Nixon  
Judy Chen-Lee for Mayor Pulido

**Board Staff, Partner Staff and Contributors Attending:**

**Partner Staff:**

Michelle Alford-Williams, Department of Rehabilitation  
Cindy Escott, Department of Rehabilitation  
Marsha Yamamoto, Employment Development Staff  
Al Tweltridge, Department of Education

**State Board Staff:**

Brian McMahon, Executive Director  
Daniel Patterson  
Joelle Hurst  
John Bohart  
Suzette Smith  
Beverly Odom

**Welcome and Opening Remarks**

The meeting convened at 10:10 a.m., chaired by Chair, Barry Sedlik. He provided the meeting logistics information to the members and the public and stated that there would be an opportunity for the public to make comments and then reviewed the agenda Items.

**Item 1: Approval of previous meeting minutes:**

Mr. Sedlik announced that the Committee did not have a quorum and therefore is not able to vote on any of the action Items, but that the Committee staff would poll members to determine their vote for passing of the previous meeting minutes. The staff polled the members until a quorum was met. One additional vote was needed; that vote was provided by Mr. Villarino.

## **Item 2: Committee Short- and Long-Term Goals**

This discussion Item was introduced by Mr. Sedlik by stating that the Committee has the desire to stay focused and limit our effort on a narrow set of issues and strategies. The list was compiled by staff going through prior meeting minutes, Committee parking lot issues and the WIA State Plan. The members have been polled and the task today is to identify the top three priorities. Mr. Curran added that as part of his responsibility to represent the local Workforce Investment Boards (local boards) as being part of this committee, he sent a survey out to the 50 workforce boards in California, 31 of which responded and he provided the results. He also stated that Item 9 (to increase the amount of funding available within our system) actually got the most votes, but was not identified as a high priority.

There were a couple of questions about the voting and the form used to present the results. Mr. McMahon stated that from a staff perspective, what we would hope to get out of this today would be the Committee looking at the issue areas and those identified as high priority among Committee members. Staff would then go back and try and take these broad issues and develop some specific recommendations back to the Committee for initiatives we may pursue in Committee. After this meeting, staff would look at this language and begin to narrow it down to specific actions and direction.

Mr. Sedlik asked that those that may require special funding, how are we going to reconcile the things that we can do now versus things that would require more resources. Mr. McMahon responded by stating that is the case with all of these initiatives. We try and apply a matrix test, looking at resources necessary to implement it, partners, outcomes, time range, so if an initiative requires funding, as does the minimum wage initiative, that it can be an issue that can be discussed as the Committee goes ahead: what types of resources, how much, the funding mechanism that might be appropriate. Mr. Curran continued to explain the ranking of issues.

Mr. Curran said that polling shows Item 7 ranked as the top priority. Mr. Schell stated that a lot of this is improving the system and is one way to improve the use of resources that are already out there. There is still a lot of fear on the part of workforce system partners, and making this a priority can help us move the system to being a more complete resource. For instance, LMI is currently providing more and better data locally. Mr. Nixon said that the One Stops he has seen, that are thriving, have a close link to ED and is a more vibrant environment. From a business perspective, this is the type of environment he would like to see.

Ms. Chen mentioned the delicate balance of working with several systems (WIA, Social Services, ED) all being different, and helping to find a balance to working between and linking these systems. One way is to review and maybe emulate successful models currently in place in local communities. She also spoke about the possibility of looking to what extent there are equitable sharing of the costs for supporting the local systems.

Mr. Curran said that what we are really talking about is not creating partnerships among those specifically identified within the issue, but it is how we can make the One Stop better to create partnerships around that. The intent is how to use the current system to forge better alliances, how can the One Stop be a place of convergence, to embody partnerships in the community in a better way. What follows is what assets do you bring and how are they shared equitably. Mr. Sedlik said, in terms of how to structure this, is there something that might be intended as an incentive, and is not perceived as another bureaucratic obstacle in getting things done, but encouraging rather than creating more problems?

Mr. Bohart stated that from a staff perspective this is not a new issue. Each of the four Committees are looking at it. We have some capacity to go back, do some exploration, and then represent it in a form that the Committee can work with, and have some additional dialogue about it. From a process stand-point, is there a recommendation for a more specific activity, is there a means to measure the activity with the matrix (define the initiative), can the committee achieve a measurable outcome through an initiative? Then have discussions around whether we have narrowed it enough for the Committee and if it is something we can move forward with. Mr. Curran proposed rephrasing the issues as: How can One Stops become more catalytic in creating partnerships or alliances with assets or entities that can make in a difference in workforce development.

Mr. Curran then explained that the second Item for local boards is Item 9: increase funding to local boards. There is an expanding expectation but decreasing dollars they influence or have control over. This is what worries the locals on a daily basis. Mr. Schell said one way is to not look at a single effort but perhaps evaluate and engage foundations that are interested in the sort of work we have been performing. Mr. Curran said that the local level has the ability to identify local resources, local associations, and as the state becomes more involved in this, they have less access to them. One of the things the state has not been very good at doing is growing the resources for workforce development. He stated that we wait and resolve a problem based on circumstance, but don't change our system. The state could play a stronger role in advocating how many resources we have available at the local level. This effort is more than just the redirection of WIA 15% funding, but increasing the investment:

Mr. Curran stated that from the local boards polling the next priority is around labor market information: Items 2 and 10 "how to generate local information, how do you figure out what helps people target jobs that will be there tomorrow. " I think people voting for Item 4, are voting for same thing but other side of the coin – How do you figure out what industries are important, and where are your workforce needs. Maybe put these two together, what strategy can we use to accomplish this, but really how do we generate better information around job opportunities and nurturing the industries that are the drivers of your economy. Cluster those for the purposes of our conversation. Mr. Schell said that issues 1, 2, 3, and 10 all sort of come together, improving data. Items 4, 5, and 7 are really about connecting workforce partnerships and suggested 4 and 7 are the same activity and Item 5 is just a one-time effort/function of the Board. Mr. Curran stated that based on its rating it shows that this issue has been on the table for some time. He agreed that it could be one time statement and would only be effective on Solicitation for Proposals for WIA dollars.

The other contender for local boards is Item 5. The voting on this one reflects how difficult it is to run local systems when the investment points don't involve the local boards in the process. A lot of stuff maybe totally contrary to the place the local boards are trying to move the system.

Mr. Sedlik asked about the confidentiality issue with the access of data. Mr. McMahon said the CWIB is currently working with the Economic Strategy Panel and the Regional Economies Project to customize the data, a lot of interest to refine and how best to be used at the local level. There could be a feed in from this effort into the work of the Committee to expand the growth of these opportunities. Mr. McMahon stated that CWIB will continue to be involved in this and at some point we would come back to the Committee and make some recommendation to expand this project.

Mr. Sedlik asked Mr. Curran to summarize the discussion down to two priorities: Item number 7 and 9. There was no opposition from the members to this ranking. Mr. Sedlik asked if there was any additional discussion from members or the public. Mr. Curran continued that the one laying in wait is around combining #2 and 10. This issue was highly important, and not to lose sight of it as it is important to both sides. We will drive our actions around these two issue priorities, and as there is some low hanging fruit that we can take advantage of with LMI data, we will. There were no comments from the public. The discussion was closed.

**Item 4: Conflict of Interest.**

Mr. Sedlik introduced this Item by stating that this issue was raised at earlier meetings by the members of the Committee as they may be perspective bidders on the RFP. To ensure the concerns of the members were addressed the CWIB staff investigated this question. Mr. Patterson said that CWIB staff had reviewed Attorney General Decisions as well as Fair Political Practices Commission Decisions in this area. Since the Committee is forming recommendations and policies to inform a funding category, not actually scoring or evaluating the individual proposals or making recommendations as to whom the successful applicants are, CWIB feels that there is no conflict for the members in this activity. Mr. McMahon stated that there are AG guideline documents that were consulted in this instance, and legal counsel was available to consult in a specific instance. No further discussion or questions were asked.

**Item 5: Minimum Wage Worker Initiative.**

Mr. Sedlik provided a brief introduction and history of the effort to date on this initiative. Mr. Patterson referred the members to the handout in their folders, which contained the recommendations of the workgroup. He explained that the workgroup membership included representatives from CWIB, Department of Rehabilitation, Employment Development Department, Labor and Workforce Development Agency, and local area representatives acting in consulting roles. The Committee's action today is the last step before the staff work with EDD to define this category.

First category: eligible applications. Mr. Curran said that past practice has been to award bonus points to those applications that had expansive partnerships. His experience is that it is pretty easy to develop partnerships but are not very real, but another effort to develop partnerships that can demonstrate collaboration and breadth of the partnership. We do not want to discourage a singular player who can deliver a good program, but also want to encourage partnerships to form around this effort. In view of Mr. Curran's point, the recommendation is that bonus points be awarded to those applications with "demonstrated" partnerships. Mr. Galloway agreed with this point. No further comments from members.

Coordination with local boards: Applications should demonstrate that attempts were made to coordinate with local boards: Mr. Schell asked in what form the local Economic Development Councils were included in this process. Mr. Patterson responded that when the staff was discussing this, we recognized that a lot of the boards have EDC as a member, so our thoughts were that they would be a partner already. Mr. McMahon said that there are two ways we can deal with this. The first is to award points for applications that have EDC as a partner, the other is to require coordination with EDC, but these would require Committee discussion and recommendation. Mr. Curran said these two options are different. One is the local boards being responsible for systems building in the whole community. EDCs brings a certain set of assets and focus to that, but doesn't think those in his area would be interested in a low wage initiative.

Mr. Sedlik said that there could be competing proposals, what this says is we only want one proposal from each local area. It seems that this would discourage multiple proposals from different entities. Is this the intent or is this an unexpected consequence? Mr. Patterson stated that one of the aims of the workgroup was to communicate to the local provider community that the state was looking for locals to forge expansive partnerships around this effort. There may be many ideas locally, but we felt it necessary to have local boards as a partner, so this is an unintended consequence of having this coordination with the local boards. Ms. Chen also said that this could become a problem administratively if you have one local board essentially coordinating all the providers in the area. Tim Galloway agreed with Ms. Chen by saying that in many instances, local boards are a competitor and this represents too much area for potential conflict. There is also some concern about the timing to coordinate and present a proposal to the local board because of their meeting schedules.

Mr. Sedlik stated that the way this is worded, the Item is to require coordination, but the recommendation is to be able to demonstrate coordination. Mr. Galloway said that we need to define what demonstrate means. Mr. Patterson said one of the Items identified during our literature review and discussions with local representatives were there seemed to be some benefit

to having this coordination. The staff will work to provide language in the SFP that can be a basis for demonstrating attempts to coordinate with the local workforce board.

Employers as a mandatory partner: Mr. Bohart said that the employer partner should contribute to the project, whether as the one who employs these workers, or might be providing in kind contributions, time off to attend training, could be cash contributions. Mr. Sedlik asked what an employer is - could it be an industry trade association do they qualify or more narrowly defined as just someone who employs workers? Mr. Curran said we need to clarify what an employer is.

Ms. Chen said when we talk about employer contributions, are we recommending a specific amount of match? Mr. Patterson said that when we look at the cost of running a program like this, and looking at the limited amount of funding for this project, there will be a need for a cash match. The workgroup did not recommend a specific amount, because we want the applicant to be able to tell us what it will take, both in terms of match and in kind, to run this program and what resources they will bring to the table to meet this need.

The Committee agreed with the staff recommendation to encourage partnerships with local social services agencies and organized labor, but no additional points would be included specifically for their involvement in the partnership. There were not any discussions on the amount of award or a recommendation for a specific amount of match to be required of applicants. The Committee agreed on the awarding of bonus points for those industries that are identified in the research, and are targeted by the applicant.

There was some discussion about the benefits of recommending a demonstration project over one with standard performance measures and some discussion around the proposed measurements. Mr. Bohart summarized it by saying we could view these as guidelines for developing performance goals, what you are suggesting is that there may be some additional work to be done but to staff can now go back and begin to implement this effort with EDD. Mr. Curran said the goal is more money, but not as a result of more hours, what we want to achieve is increased hourly wage.

Mr. Tweltridge said that our very first action to open it up to all potential applicants rather than to just partnerships is sort of off message and inconsistent with everything thing else that we do. It sends up false hopes to those not part of a partnership. Mr. Sedlik responded that partnerships are key, but that those who have another proposal might have a unique way to serve this population. The point is well taken and the focus is to encourage partnerships, but the Committee didn't want to exclude those efforts or proposals that might be innovative.

**Item 6: Committee Initiative Assessment tool**

Mr. Patterson stated that in the previous meeting there was some initial discussion regarding the Committee Initiative Assessment tool CWIB developed to define initiatives. Members had received a copy and wanted to provide additional opportunity to provide some input or suggest refinements. Mr. Curran suggested a brief description/narrative and origin of the initiative. He also suggested what role or steps the Committee should take, (review and approve, work with the constituents). Do we need a metrics, when we describe an outcome, how we should measure the outcomes, move completion box next to outcomes. There were no further comments. The staff will take the recommendations and modify the form accordingly.

**Item 7: CALED and CMTA survey results**

Mr. Patterson informed members that during the previous meeting, the Business and Industry presented its effort to conduct a joint survey with CALED and CMTA of their constituents. The results of this survey are included as handouts in the members' folders and are also available on the CWIB website. No additional information was shared or questions asked.

**Next Steps:**

Staff will begin to fill out the matrixes for next meeting,

The next meeting is scheduled for June 27, at 10:00 at the SETA offices in Sacramento.

No additional public comment.

Meeting adjourned at 1230.



## Targeting Resources Committee Issues/Strategies

Item 2, Attachment

ITEM	
1	Explore new and innovative ways for collecting, disseminating, and analyzing (including training on data analysis) more complete and timely <i>State</i> and <i>regional</i> economic and labor market information, in order to assist State and local planners in identifying future labor shortages; current and future high-wage, high-growth occupations; and skill gaps.
2	Identify ways to support the collection and dissemination of <i>localized</i> labor market and economic information, with local partners (as was done previously through the California Cooperative Occupational Information System), in order to produce more relevant, timely local information as a resource for people in the field, working in conjunction with businesses and education.
3	Explore the development of a system and methodology that all One-Stop centers would use for tracking and counting universal (core) services customers in order provide more complete One-Stop customer service, and cost data to improve the efficiency of all workforce programs. – <i>New DOL requirement/EDD response. State Board has also commissioned four pilot studies of actual One-Stop Costs, to be supported by twenty surveys of One-Stop costs/benefits.</i>
4	Continue to explore initiatives using federal grant funds and Governor’s 15 Percent Discretionary funds to promote collaboration; to influence local barriers to economic growth such as land use, housing costs, and transportation; and to help develop better connections between education and workforce.
5	Consider the process for ensuring that competitive local grants under the Governor's 15 Percent Discretionary funds that are made available to public, private non-profit, and private for-profit entities through the Solicitation for Proposal process require the coordination of proposals with Local Boards and their local strategic plans.
6	As necessary, explore, with Local Boards and local Chief Elected Officials, modifying the formula for Dislocated Worker and Rapid Response allocations that are distributed to the Local Workforce Investment Areas.
7	Explore and develop policy recommendations that support partnerships between One-Stop, Social Services, California Workforce Association, and Economic Development staff to inform and educate how to better capitalize on each other’s assets.
8	Explore methods for increasing the amount of resources available at the One-Stop through the partner agencies. – <i>Cost Study</i>
9	Resource statewide initiatives that increase resources available through the One-Stops and the Workforce Investment Boards by such means as financial support from Industry, Foundations, the federal Government, other State Agencies, and/or Regional Collaboratives.
10	Explore how local WIB's can effectively work with industry clusters in their local regions to align training delivery with needs and stimulate growth in those industry clusters that promise jobs for the future regional economy

**Discussion Item – Coordination of Grants with Local Boards**

The Committee Initiative Assessment tool was developed by CWIB staff as a means to ensure that each initiative taken up by the Special Committees are consistent with the goals of the State Plan and a method to capture and describe core elements that are critical to the success of the initiative.

The attached matrix reflects the staffs' understanding of the issue and represents an initial effort to provide a framework and basis for the Committee's discussions in the subject area.

**California Workforce Investment Board  
Committee Initiative Assessment**

Item 5

<b>Targeted Resources Committee Require Coordination of WIA Grant Application with Local Boards</b>	
<b>Assessment Criteria</b>	<b>Explain</b>
<b>Source of Initiative</b>	This issue was one of ten principal areas identified by staff in preparation of a Committee Strategic Planning session. The members discussed and prioritized the top three issues during the April 18, 2006 meeting. This specific item was identified as the third highest priority by the members and expressed their intent to clarify and more clearly define this subject area.
<b>Description</b>	The SFPs issued by the Employment Development Department contain language regarding local collaboration that states: "In order to receive the maximum points available under this section, non LWIA applicants must describe how they have successfully established linkages with the LWIA and what actions they have taken to partner with the LWIA." A letter of commitment from the LWIA is not required. The Committee would like to take up the issue as to whether it will recommend that successful applications "shall" require coordination with the local boards" and its intent regarding the definition of coordination.
<b>General Purpose/Goals</b>	<p>Purpose: To develop greater alignment and coordination between partners within the local workforce system, and to foster increased local strategic planning among Local Boards, partner programs, and grantees of WIA grants.</p> <p>Goal: A policy recommendation to the Administration that will assist in the continual alignment of local service providers with the local boards and their employment and training efforts, eliminate duplication, streamline administration, and leverage additional resources in support of the Governor's priorities.</p>
<b>Consistency with 2-Yr Plan Priorities and Themes</b> (include issues/strategies)	<p>Policy Priorities:</p> <p>Themes:</p> <ul style="list-style-type: none"> <li>▪ Targeting resources to programs, services, industries, business and areas of the State that will have the most economic impact.</li> <li>▪ Targeting of workforce resources to special workforce populations, industries, businesses, workforce services, and geographical areas that will have the greatest economic impact for the State</li> </ul> <p>Issues:</p> <ul style="list-style-type: none"> <li>▪ Consider the process for ensuring that competitive local grants and Governor's 15 Percent Discretionary funds that are available to public, private non-profit, and private for-profit entities through the Solicitation for Proposal process require the coordination of proposals with Local Boards.</li> </ul>

**California Workforce Investment Board  
Committee Initiative Assessment**

<b>Specific Tangible Outcomes</b>	A policy recommendation to the Administration requiring all WIA 15% grant applicants coordinate with the local workforce investment board on their individual grant applications.
<b>Timeline for Completion</b>	June 2006 – Discuss Issue in Committee June 2006 – Formation of working group with key stakeholders July 2006 – Review working group recommendations and form final recommendation July 2006 – Formalize recommendation by modifying SFP language as necessary
<b>Action Steps for Committee</b>	<ul style="list-style-type: none"> <li>• Authorize formation of short term working group to develop issue and make recommendations for the Committee’s review and action.</li> <li>• Discussion of workgroup recommendations and forming of final recommendations.</li> </ul>
<b>Measures</b>	
<b>Benefits</b> (short-term, long-term, who benefits, etc.)	<ul style="list-style-type: none"> <li>• More effective alignment of and within local workforce systems.</li> <li>• Promotion of collaborative efforts and formation of partnerships to serve specific/target populations and industries.</li> <li>• Potential for leveraging of partnership resources and capacity, thereby increasing funding (cash/in-kind) for these projects.</li> <li>• Investments can be optimized through coordination rather than separate, uncoordinated efforts that are intended to achieve the same outcome (e.g. nursing initiative)</li> <li>• Demonstrate the role of the LWIB to form partnerships around specific initiatives to achieve the State objectives (e.g. Governor’s priorities)</li> </ul>
<b>Dependencies/Influences with Other Committees/Board Work</b>	May influence discussions for the Committees or State Board, when as part of an initiative, are contemplating the use of WIA funds to award competitive grants.
<b>Expanded Partners/Contributors</b> (beyond committee members, staff team)	Employment Development Department Department of Rehabilitation California Workforce Association Business and Industry Community and Faith Based Organizations

**California Workforce Investment Board  
Committee Initiative Assessment**

<b>Internal Staff Resource Commitment</b>	<p>38-42 hours of staff time</p> <p>18-24 hours (2-3 staff) of staff preparation time, plus an additional 6-8 hours of meeting facilitation. 6 hours finalizing report and preparing agenda item and discussion at the Committee, Administration Committee and State Board. Additional hours working with EDD to implement policy through Information Bulletin and modification of SFP language consistent with Committee recommendation.</p>
<b>Partner Staff Resource Commitment</b>	Participation in 3 or 4 workgroup meetings – 6-8 hours of meeting time, additional time speaking with constituencies they represent on the workgroup.
<b>Financial Resources</b> (requirements, sources, etc.)	Costs associated with staff time and participation of members in the workgroup meetings.
<b>Local Participation/Impact</b>	<ul style="list-style-type: none"> <li>• If policy is implemented, will require coordination of local grant applications from non-LWIA applicants with local boards, which may encourage formation of additional partnerships and alliance between local area service providers.</li> <li>• This will add a layer of administration and may discourage local service providers from participation in the competitive grant process.</li> <li>• This option will also burden the local areas with an additional administrative responsibility for evaluating and supporting/participating in grant applications.</li> <li>• May create potential conflict of interest between local boards and other applicants who may be viewed as competitors for the same grant dollars.</li> <li>• There may need to be very specific guidance and oversight to ensure that this recommendation does not unfairly burden or restrict non-LWIA applicants from participation in the competitive grant process.</li> </ul>

Other questions: